

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	
FILING OF BIG SANDY WATER)	CASE NO. 2012-00012
DISTRICT)	

O R D E R

On January 11, 2012, Big Sandy Water District ("Big Sandy") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Big Sandy purchases water from Cannonsburg Water District ("Cannonsburg"), the city of Kenova ("Kenova"), the city of Louisa ("Louisa"), and Rattlesnake Ridge Water District ("Rattlesnake Ridge").

2. Cannonsburg increased its wholesale water rate to Big Sandy from \$2.94 per 1,000 gallons to \$3.13 per 1,000 gallons, effective January 1, 2012.²

3. During the 12 months ending October 31, 2011, Big Sandy purchased 90,432,300 gallons of water from Louisa; 222,458,220 gallons of water from Kenova; 5,709,400 gallons of water from Rattlesnake Ridge; and 55,190,700 gallons of water from Cannonsburg. It sold 259,515,000 gallons of water during the same period. The increase in the cost of purchased water is \$10,486.23, resulting in a purchased water adjustment factor of \$0.04 per 1,000 gallons.

¹ KRS 278.015; 807 KAR 5:068.

4. On December 19, 2011, Big Sandy's Board of Commissioners authorized an increase of \$0.04 in its rates for water service, effective January 1, 2012, which is commensurate with increase in Cannonsburg's wholesale rate.

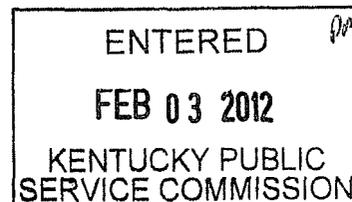
5. Big Sandy's proposed rates are fair, just, and reasonable and should be approved.

6. The purchased water adjustment of \$0.04 per 1,000 gallons is fair, just, and reasonable and should be approved.

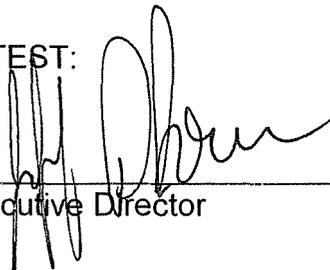
IT IS THEREFORE ORDERED that:

1. Big Sandy's proposed rates are approved.
2. The purchased water adjustment of \$0.04 per 1,000 gallons as calculated in Appendix A is approved.
3. The rates in Appendix B are approved for service rendered on or after January 1, 2012.
4. Within 20 days of the date of this Order, Big Sandy shall file revised tariff sheets with the Commission that reflect the rates approved in this Order and that are signed by an officer who is authorized to issue tariffs.

By the Commission



ATTEST:



Executive Director

² Case No. 2011-00518, Purchased Water Adjustment of Cannonsburg Water District (Ky. PSC Jan. 10, 2012).

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2012-00012 DATED FEB 03 2012

	New Rate	Base Rate
Big Sandy Purchases in gallons		
City of Louisa Volumetric rate	90,432,300 No change	90,432,300 No change
City of Kenova Volumetric rate	222,458,220 No change	222,458,220 No change
Rattlesnake Ridge Volumetric rate	5,709,400 No change	5,709,440 No change
Cannonsburg Volumetric rate	55,190,700 <u>\$ 3.13/1,000</u> \$ 172,746.89	55,190,700 <u>\$ 2.94/1,000</u> \$ 162,260.66
Increased water cost		\$10,486.23
Increased water cost		\$ 10,486.23
Divided by gallons sold		<u>259,515,000</u>
Purchased water adjustment factor		\$0.04 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2012-00012 DATED FEB 03 2012

The following rates and charges are prescribed for the customers in the area served by Big Sandy Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8" X 3/4" Meter

First	2,000 Gallons	\$17.38	Minimum Bill
Next	8,000 Gallons	6.79	per 1,000 Gallons
Next	20,000 Gallons	5.66	per 1,000 Gallons
Next	20,000 Gallons	4.90	per 1,000 Gallons
Over	50,000 Gallons	4.14	per 1,000 Gallons

1" Meter

First	10,000 Gallons	\$71.70	Minimum Bill
Next	20,000 Gallons	5.66	per 1,000 Gallons
Next	20,000 Gallons	4.90	per 1,000 Gallons
Over	50,000 Gallons	4.14	per 1,000 Gallons

1 1/2" Meter

First	30,000 Gallons	\$184.90	Minimum Bill
Next	20,000 Gallons	4.90	per 1,000 Gallons
Over	50,000 Gallons	4.14	per 1,000 Gallons

2" Meter

First	50,000 Gallons	\$282.90	Minimum Bill
Over	50,000 Gallons	4.14	per 1,000 Gallons

3" Meter

First	100,000 Gallons	\$489.90	Minimum Bill
Over	100,000 Gallons	4.14	per 1,000 Gallons

4" Meter

First	200,000 Gallons	\$903.90	Minimum Bill
Over	200,000 Gallons	4.14	per 1,000 Gallons

Wholesale Customer

Wholesale rate to Overland Development will be monthly service charge of \$545.75, plus \$1.87 per thousand gallons.

Wholesale rate to Cannonsburg Water District will be \$2.53 per thousand gallons on all meters.

Mr. Jimmy Blanton
Superintendent
Big Sandy Water District
18200 Kentucky Route #3
Catlettsburg, KY 41129